

Highlights of the 2007 Legislative Session

Creating More and Better Jobs

- Since Haley Barbour took office in January 2004, job creation has been top priority. Since he took office, 37,700 more people are working and we are virtually certain to have a record level of employment in Mississippi this year. Personal income has increased 15% to the highest level in state history.
- The right policies are making a difference. Ending lawsuit abuse through tort reform, doubling support for a reformed workforce training system, balancing our budget with no new taxes, and realigning our economic development incentive programs create an environment much friendlier to job creation.
- In the 2007 session, the Legislature approved an incentive package for Toyota, which initially will result in 2000 direct jobs, another 2000 construction jobs, and a \$1.3 billion investment in Northeast Mississippi. The Governor and the Mississippi Development Authority already are recruiting Toyota suppliers which will bring thousands more jobs to the state.

Balancing our Budget and Preparing for a Rainy Day

- At the beginning of Governor Barbour's term, our state was in a \$720 million budget hole, our rainy day reserves had dwindled to almost nothing and the law requiring that 2% of our revenues be set-aside for a rainy day was ignored.
- Since Governor Barbour took office, General Fund revenue has increased \$1.36 billion, or 38%, without raising anybody's taxes. Tax revenues are up because people are working and earning more. Because of new fiscal discipline, we have controlled state spending so expenditures have increased far less than new revenue.
- We are rebuilding our reserves with a projected rainy day fund balance of more than \$220 million at the end of the current fiscal year. This is critical if we are to be prepared when the Katrina boom stops or the national economy slows down.

- Under the budget the Legislature approved for FY 08, we have increased support for our priorities of education, law enforcement, and health care, all within a balanced budget, while abiding by the law to set aside 2% of our revenues and not dipping into or diverting from our rainy day fund. The FY 08 budget increases state support for General Fund agencies by 6.8%.

Improving Education

- During the Barbour Administration, state spending for K-12 schools will have increased by more than \$530 million – the biggest increase in K-12 spending in any four year period under any Governor in state history.
- The budget approved for the next school year:
 - o Increases K-12 spending by \$210 million. We will be spending \$2.5 billion in state funds alone and more than \$8000/student in state, local and federal funds – the highest in state history!
 - o Fully funds the Department of Education's request for the MAEP formula – the first time in state history!
 - o Gives our teachers a 3% pay raise for our teachers so our average teacher pay will be more than \$42,000 – the highest in state history!
 - o Funds a "High School Redesign" program for dropout prevention.
- Unfortunately, because some of the Democrat leadership in the House of Representatives objected, we did not fund a new dyslexia screening program for K-3 students, a mentor program for new middle school teachers to help them better manage classroom discipline, or new programs for early childhood education. These will be top priorities in the next legislative session.

- The Legislature built on the Governor's UpGrade reform proposals so we can get better results for the money we spend. The Legislature approved new physical activity standards for K-8 students knowing healthy kids will have fewer discipline problems and will learn more.
- For next year, the Legislature approved \$40 million more for community colleges. Since Governor Barbour took office, state support for community colleges, including workforce development, has increased \$90 million, or 52%. During the four years before Governor Barbour took office, the community colleges' budget was cut 16%.
- For the coming year, state support for universities is increasing \$97.5 million. Since Governor Barbour took office, state support for our universities has increased \$191 million, or 32%. In the four years before the Barbour Administration, the universities' budget was cut 7%.

Fighting Crime

- In this session, the Legislature approved the Governor's proposals to toughen penalties against felons having guns or using them in the act of a crime. This gives new tools to prosecutors and law enforcement officers. It does so without infringing on the constitutional rights of law abiding citizens to keep and bear arms.
- The Legislature approved the Governor's request for another school to train 50 new highway patrol officers.
- Our new budget provides a \$2500 pay raise for state sworn law enforcement officers
- Regrettably, the Legislature denied the Governor's request to add 50 new narcotics agents.

Rebuilding South Mississippi

- Having a stable insurance market is essential for economic development. The wrath of Hurricane Katrina didn't end when the wind and water subsided in August 2005; it is affecting the

affordability of insurance across our state which is absolutely critical to helping homeowners and small businesses. The Legislature approved much needed reforms to the wind pool which will help stabilize the state insurance market and provide renewed confidence that we will rebuild bigger and better than ever. We must also remember that the ultimate goal is to re-create the private insurance market so that the wind pool isn't even necessary.